Congress of the United States House of Representatives Washington, DC 20515-0514

COMPREHENSIVE TIMELINE OF ENERGY CRISIS

2000: The Beginnings of a Crisis -

June 14, 2000 – First blackout of the crisis and the first blackout in California since World War II.

August 2, 2000 – San Diego Gas & Electric Company (SDG&E) files a complaint under section 206 of the *Federal Power Act* against western power suppliers, alleging that market prices are "unjust and unreasonable."

November 1, 2000 – FERC reports that whole sale electricity prices have been and continue to have the potential to be "unjust and unreasonable."

2001: House Republicans Bait and Switch -

January 18, 2001 -

"Before we can address other critically-important energy issues, such as production, refining and conservation, it's imperative that we get to the bottom of the mess in California," Chairman Tauzin said in announcing that the House Energy and Commerce Committee would begin its own investigation.

"If this problem spreads," he continued, "it could send shockwaves throughout the economy." House Energy and Commerce press release.

May 24, 2001 – House Energy and Commerce Committee begins markup of H.R. 1647, the *Electricity Emergency Relief Act*, Rep. Barton's bill to rescue the California energy market. After opening statements, the Committee adjourns markup until May 25, 2001.

May 25, 2001 – Chairman Tauzin postpones the markup of H.R. 1647, the *Electricity Emergency Relief Act*, until after the recess to allow the continuation of ongoing negotiations on key provisions. Postponement blocks consideration of amendments requiring FERC to impose cost-of-service rates and order refunds.

June 6, 2001 – Chairman Tauzin cancels the markup of H.R. 1647 scheduled for that day.

August 2, 2001 – The House passes H.R. 4, a comprehensive energy bill on a 240-189 vote. The bill does not have an electricity title.

2002: House Republicans Stall -

- **February 14, 2002** –Members of the California Delegation write to Chairman Tauzin to urge him to investigate and hold hearings on the business conduct and pricing practices of Enron during the Western energy crisis.
- May 7, 2002 Representatives Eshoo, Waxman, Capps, and Harman write to Chairman Tauzin urging him to open an investigation and to hold hearings on market manipulation in the Western energy market after FERC posts internal Enron memos detailing how the company artificially inflated prices. Memos indicate that other companies adopted the same practices.
- May 8, 2002 All 32 California Democrats and 4 Pacific Northwest Democrats write Chairman Tauzin, urging him to open an investigation and to hold hearings on market manipulation in the Western energy market after FERC posts internal Enron memos detailing how the company artificially inflated prices. Memos indicate that other companies adopted the same practices that Enron did.
- June 5, 2002 Representatives Eshoo, Waxman, Capps, and Harman lead 75 House Members, including Minority Leader Gephardt in a letter to House Speaker Hastert and Chairman Tauzin calling for an investigation of energy suppliers.
- June 18, 2002 The General Accounting office issues a report that exposes weaknesses in FERC's ability to regulate energy markets. The report says, "FERC is not adequately performing the oversight that is needed to ensure that the prices produced by [energy] markets are just and reasonable and therefore, it is not fulfilling its regulatory mandate."
- June 19, 2002 Representatives Eshoo, Waxman, Capps, and Harman write to Chairman Tauzin again to urging him to begin hearings and investigations, noting that the GAO report indicates that FERC is not up to doing the job on its own.
- June 20, 2002 Congress Daily AM reports, "House Republicans agreed [June 19, 2002] to hold a hearing to examine whether trading firms such as Enron Corp., may have illegally manipulated electricity prices in the West." The article continues, "The hearing would serve as a spring board for a broader inquiry into price manipulation and FERC's ability to oversee the Market [Energy and Commerce Committee Chairman] Tauzin said."
- July 25, 2002 Representatives Eshoo, Waxman, Capps, and Harman write to Chairman Tauzin again, calling for hearings and investigations, noting that he has not fulfilled his public promise. The letter notes that this work should be completed before the Chairman moves ahead with consideration of electricity provisions in the House-Senate Conference Committee on H.R. 4, the comprehensive energy bill. Finally, the letter requests access to documents that Committee obtained from FERC. The documents had been compiled by FERC as a part of an investigation that it initiated following inquiries from U.S. Senators.